

GLOBAL & REGIONAL DAILY

HIGHLIGHTS

July 22, 2021

Global Markets

Asian equities surged on Thursday after corporate earnings releases boosted Wall Street, tempering concerns over the more contagious Delta variant. In the government bonds markets, the 10-yr UST yields stood close to y-day's multi-session highs of 1.30% earlier today, having risen by ca. 17bps from Tuesday's 5-month lows. Turning to commodities, Brent crude oil traded around 72\$/bbl in Asian trade, following y-day's biggest daily gain in 3 months. In FX markets, safe haven currencies (JPY, USD) pulled back from multi-month highs amidst risk-on mode, while the EUR rose off y-day's 3 ½ -month low of \$1.1750 trading around \$1.18 earlier today ahead of the ECB's closely parsed policy decision due at 11:45 GMT. Following the Strategy Review release earlier in the month, investors focus turns to any changes to the ECB's forward guidance.

Greece

According to the BoG, in May-21 the Current Account (CA) deficit expanded on an annual basis by €476.7mn due to a deterioration in the goods' balance by €610.4mn and by a decline in the services' surplus by €15.3mn, which were eased by an increase in the primary income surplus of €126.7mn and a decrease in the secondary income deficit of €22.2mn. For the period Jan-May 2021, the CA deficit widened on an annual basis by €533.7 due to an increase in the goods' deficit (€717.8mn) and the secondary income deficit (€326.4mn), as well as a decline in the services' surplus (-€504mn), which were partly offset by an expansion in the primary account surplus (€1,014.4mn). The deterioration of the goods' deficit in particular, owes to an increase in the imports of goods excl. oil and ships that more than offset the rise in respective exports.

CESEE

The Serbian Ministry of Finance raised on Tuesday RSD5.1bn in 5-year bonds, first offered on January 28, 2020. The initial target of the auction was RSD64.1bn but the Ministry capped the issuance at RSD5bn with investors placing bids for RSD10bn. The notes bear a 3.0% coupon and were sold at an average yield of 2.1%, which is lower than the yield of 2.23% achieved at the identical June 8 auction of dinar bonds with the same maturity. Turning to Bulgaria, in a working document by the EC referring to the rule of law that was released on Tuesday, the Commission noted that the country has made gradual progress regarding the judicial independence but there are still challenges at stake. At the same time, the country could be heading for snap general elections unless a government is formed within the next two weeks.

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GLOBAL MARKETS

Stock markets

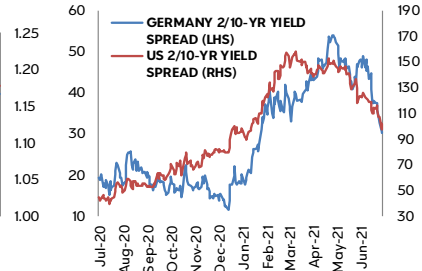
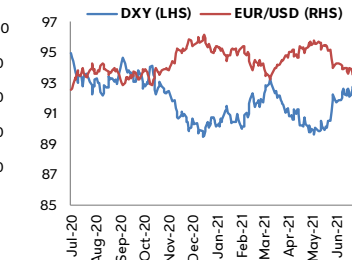
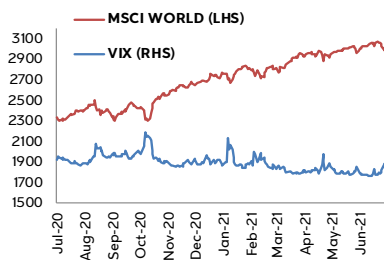
	Last	ΔD	ΔYTD
S&P 500	4358.69	0.82%	16.0%
Nikkei 225	27548.00	0.6%	0.4%
STOXX 600	453.97	1.6%	13.8%

FOREX

	Last	ΔD	ΔYTD
EUR/USD	1.1797	0.0%	-3.4%
GBP/USD	1.3733	0.1%	0.5%
USD/JPY	110.12	0.2%	-6.2%

Government Bonds

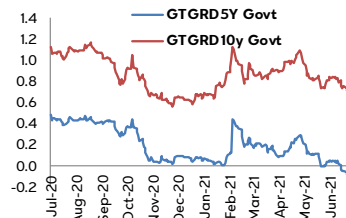
(yields)	Last	ΔDbps	ΔYTD bps
UST - 10yr	1.27	-2	36
Bund-10yr	-0.41	-1	16
JGB - 10yr	0.02	1	0



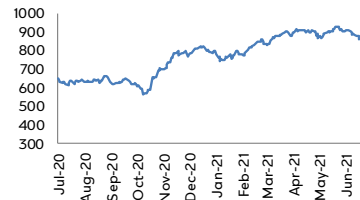
GREECE

Government Bonds

(yields)	Last	ΔDbps	ΔYTDbps
5Y Bond	-0.12	-1	-20
10Y Bond	0.67	-1	5
Δ(10YBund-10YGG)	1.08	0	-12



ATHENS GENERAL INDEX



EMERGING MARKETS

Stock markets

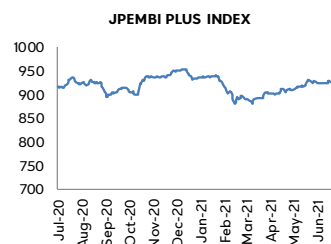
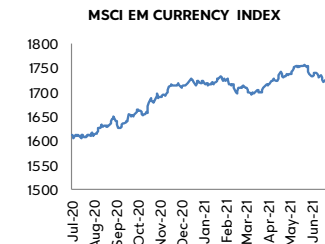
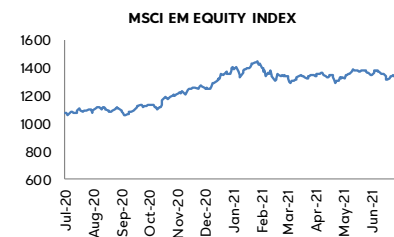
	Last	ΔD	ΔYTD
SOFIX	563.18	-0.1%	25.8%
BELEX	770.59	-0.1%	293.6%
XU100	1351.59	-0.9%	-847.4%

FOREX

	Last	ΔD	ΔYTD
EUR/PLN	4.5755	0.1%	-0.3%
EUR/RSD	117.612	0.0%	0.0%
USD/TRY	8.5581	0.1%	-13.1%

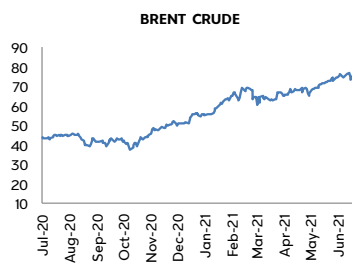
Government Bonds

	Last	ΔDbps	ΔYTD bps
TR 10Y yield	6.12	1	71
BG 8Y yield	Invalid Security		
PL 10Y yield	1.55		

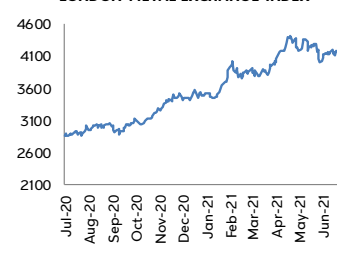


COMMODITIES

	Last	ΔD	ΔYTD
GOLD	1802	-0.1%	-5.1%
BRENT CRUDE	72	-0.1%	39.3%
LMEX	4138	-0.1%	21.2%



LONDON METAL EXCHANGE INDEX



Source: Reuters, Bloomberg, Eurobank Economic Analysis and Financial Markets Research
Data updated as of 22.07.2021 09:48 EST

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